

II. Remarks

Reconsideration and allowance of the subject application is respectfully requested.

Claims 7, 9-10, 15-18, 20, 23-27, 29-34, and 36-45 are pending in the application. Claims 7, 15, 24, 31, and 45 are independent.

Certain claims have been amended to correct minor informalities without raising new issues requiring further consideration.

Inventor Peter Walcott thanks Examiner Kuntz for the general advice provided during their recent telephone call. Mr. Walcott reiterates his sincere desire to work something out with Examiner Barnie and Examiner Kuntz to advance this application to issue. In that regard, Mr. Walcott remains receptive to any comments and/or suggestions the Examiners may have.

Claims 7-10 and 15-37 were rejected as being unpatentable over Woynoski, Muehlberger, Keil, Risafi, and Fougnies, for the reasons noted at pages 2-11 of the Office Action. Applicants respectfully traverse all art rejections.

The Applicants believe that the Examiner has used hindsight reconstruction to pick and chose portions of various prior art references, using Applicants' specification as a road map, to produce the various obviousness rejections of record. The present invention claims structure and function whereby existing ATM or POS terminals may dispense automatic telephone calling PINs *without any physical modification to the terminal* and *without contacting the telephone service provider during the transaction*. These features are recited in

all claims. Furthermore, the pending claims also recite that the terminal may dispense telephone calling PINs from among a *plurality of telephone service providers*, and that the dispensed PINs are first converted to a *common format* at a host server (because the PINs are originally assigned by the different telephone service providers in different formats). The common format PINs are then dispensed *at the time of the transaction, from the host server*, to the terminal's *existing printer or display*.

In contrast, Woynoski discloses an ATM machine which has been substantially modified to dispense calling cards from calling card sheets which must be physically loaded into separate calling card sheet bins (see Fig. 1). The calling cards are from a single telephone service provider. The PINs are preprinted on the calling card sheets, and are thus not dispensed at the time of the transaction, from a host server, to the terminal's existing printer or display. This unwieldy approach obviously requires all new ATM machines, and a substantial logistical effort to supply the new ATM machines with preprinted calling card sheets on a regular basis. The consumer has no choice among various telephone service providers.

Muehlberger is discussed in the present application's Background, and is nothing more than a dedicated calling card dispenser that *is not an ATM*. Again, sheets of calling cards with preprinted PINs must be stored in the machine on a regular basis. During each transaction, the machine must engage in a communication with the telephone service provider to activate the card (Col. 3, lines 63-67). While calling cards from plural telephone service providers may be dispensed, each has a PIN that is in its own format, not a common format. Again, the PINs are not dispensed at the time of the transaction, from a host server, to an ATM or POS terminal's existing printer or display. While the Examiner refers to Col. 6, lines 9-12 and Col. 7, lines 25-

37 as teaching that the card can be issued by the bank thus removing the need to contact a telephone service provider during the transaction, these portions of the specification actually teach that the funds verification step may be omitted, the telephone service provider must still be contacted during the transaction in order to activate the card. See Col. 6, lines 16-28; Col. 7, lines 25-47; and Fig. 5, step 66.

There is no reason why the person of ordinary skill in the art at the time would combine these very different references. Woynoski is a highly modified ATM machine, while Muehlberger is a dedicated calling card dispenser. Why should they be combined? Neither reference identifies any shortcoming to be overcome or advantage to be gained by such a combination; they are apples and oranges. As motivation to combine, the Office Action states:

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to give a user the option to purchase a prepaid account as desired thus being able to phone calls away from home and also, to reduce telephone expenses, an advantage known and associated with prepaid calling cards.

Respectfully, this is not legally sufficient motivation to combine a highly modified ATM machine with a dedicated calling card dispenser. Such a general "obviousness" language is nothing more than a suggestion to "look around" the art. If this rejection is maintained, Applicants respectfully request that the Examiner articulate why and how the person of ordinary skill in the art at the time would combine a highly modified ATM machine with a dedicated calling card dispenser. For example, would the combined machine be a highly modified ATM machine or a dedicated calling card dispenser? If not, what portions of each machine would be incorporated into the other? More importantly, where is the suggestion to use

an unmodified ATM or POS?

With respect to the claimed common format into which the assigned PINs are converted, the Examiner relies on Keil or Risafi. However, in Risafi, the user selects the PIN, so there is no need for a host server to store and dispense PINs which have been converted into a common format from the various telephone service providers' formats. In Keil, the host server may generate the PIN, but there is ***absolutely no disclosure*** of converting different PINs into a common PIN format for dispensing during the transaction.

Also, Applicants again submit that there is legally insufficient motivation to combine k or r with w and m. The Examiner's stated motivation is nothing more than hindsight reconstruction using Applicants' own teachings against them.

Therefore, it would have been obvious to one of ordinary skill in the art at the time of the invention was made to incorporate the teachings of either Risafi or Keil into that of the combination thus making it possible for a POS of financial institution to provide prepaid cards through its machine including ATM thus providing multi-services to a user via an ATM and saving users the need to go to a store to buy Prepaid cards.

This is classic hindsight reconstruction.

To prevent such hindsight reconstruction, the law is clear that a *prima facie* case of obviousness can be established **only** by showing some **objective** teaching in the cited art which would lead an individual of ordinary skill in this art to combine the relevant references. *See Ex parte Levengood*, 28 USPQ2d 1300, 1302 (Patent Office Board of Appeals 1993). Obviousness cannot be established by combining the teachings of the prior art to produce the claimed invention, absent some teaching or suggestion supporting the combination. Under section 103, teachings of references can be combined **only** if there is some suggestion or

incentive to do so. The mere fact that the prior art may be modified does not make the modification obvious unless the prior art suggested the desirability of the modification. *See ACS Hospital Systems, Inc. v. Montefiore Hospital*, 732 F.2d 1572, 1578, 221 USPQ 929, 933 (Fed. Cir. 1984). It is impermissible to use the claimed invention as an instruction manual or "template" to piece together the teachings of the prior art so that the claimed invention is rendered obvious. *See In re Gorman*, 933 F.2d 982, 986, 18 USPQ2d 1885, 1888 (Fed. Cir. 1991).

Hindsight combination of references is not a valid basis for rejection under 35 U.S.C. §103, *In re Adams*, 148 U.S.P.Q. 742 (CCPA 1966) and *In re Skoll*, 187 U.S.P.Q. 481, 484 (CCPA 1975). Further, in *Twin Disc Inc. v. United States*, 10 Cl. Ct. 713; 231 U.S.P.Q. 417, 425 (Cl. Ct. 1986), the Court stated:

... it is now clear beyond cavil that it is not permissible to ascertain factually what the inventors did and then view the prior art in such a manner as to select from the random facts of that art only those which may be modified and then utilized to reconstruct the claimed invention.

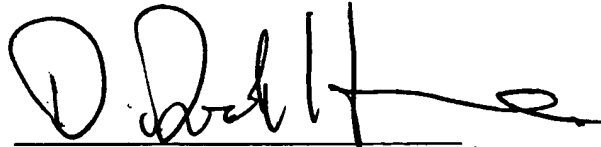
Citing *Orthopedic Equipment Co., Inc. v. United States*, 702 F.2d 1005, 1012; 217 U.S.P.Q. 193, 199 (Fed. Cir. 1983), the Court in *Twin Disc* further stated that it is incorrect to use the patent in suit as a guide through the maze of prior art references, combining the right references in the right way so as to achieve the result of the claims in suit. Accordingly, it is respectfully requested that the rejections of record be withdrawn.

In view of the above amendments and remarks, it is believed that this application is now in condition for allowance, and a Notice thereof is respectfully requested.

Applicants' undersigned attorney may be reached by telephone at (202) 625-3507.

All correspondence should continue to be directed to the address given below.

Respectfully submitted,

A handwritten signature in black ink, appearing to read 'D. Doak Horne', written over a horizontal line.

Attorney for Applicants

D. Doak Horne, Reg. No. 33,105

D. Doak Horne, Reg. No. 33,105
Gowling Lafleur Henderson, LLP
Suite 1400, 700 - 2nd Street, S.W.
Calgary, Alberta T2P 4V5